## Approved FeeRelease 2002/05/20 : CIA-RDP79T01 AA000800310001-0

#### SECRET

SECURITY INFORMATION

28 March 1952

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CURRENT INTELLIGENCE DIGEST

Office of Current Intelligence

CENTRAL INTELLIGENCE AGENCY

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#### EASTERN EUROPE

Bulgarian aviation club sponsors paramilitary youth training: According to a Sofia newspaper, the aviation club of the Voluntary Organization for Defense Cooperation in Sofia offers both theoretical and practical instruction in aviation. Under the auspices of the club, young people are trained as pilots, parachutists, aircraft technicians, and aircraft radio operators.

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Comment: Until early last year, a "National Union for Aerial Sport" was sponsored by the Bulgarian "People's Union for Sport and Technics." This parent organization was merged with the "Union of Fighters against Fascism" in March, 1951, to form the "Voluntary Organization for Defense Cooperation," DOSO.

In addition to the aviation instruction mentioned above, DOSO now sponsors courses of training in such fields as arms familiarization, marksmanship, glider-piloting, automobile driving and antiaircraft and chemical defense. The organization is under the leadership of Major General Stoyko Stoev, who is on active duty with the Bulgarian Army.

Czechoslovakia takes new steps to force women into jobs:
The Czech Government announced on 24 March that food rations may be withdrawn from women without children who refuse work assigned by the local government. Women with children in areas where community nurseries are available may be subject to ration reductions "if they refuse to help in work deemed necessary for society, such as agricultural brigades." The US Embassy in Prague says this announcement is the frankest effort made yet to force women to take jobs. (C Prague 695, 26 Mar 52)

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Comment: The last upward revision of production targets was announced at the beginning of 1952 and each such revision presumably increases manpower requirements. The requirements of the five year plan originally called for the employment of 76,800 more women, chiefly in industry, social services, transportation, and construction during the period 1949-1953. Nearly 12,900 women were employed in transportation alone during 1951.

3. Polish Government reported gaining control of grain supply: The US Embassy in Warsaw believes that the Polish Government has secured control of a substantial portion of the national grain supply. According to published information available to the Embassy, during the five month period ending 31 December 1951 more grain was delivered by the farmers under the compulsory program than had been delivered during the entire preceding twelve months. Of the 269 counties included in the compulsory delivery program, 232 delivered 90 percent or more of their quotas. During the same period in 1950, only 48 counties completed 90 percent of their contracted deliveries. (R Warsaw Des #326, 25 Feb 52)

By achieving an effective control of the grain Comment: supply, the Polish Government also gains better control of the individual independent farmer who is forced to become economically more dependent upon the government. from other sources however indicates that an undetermined, but probably small, number of farmers continue to defy the government's delivery orders.

4.	Yugoslav Foreign Minister warns of approaching trouble
	In Balkans: Foreign
	Minister Kardeli   in early March that he
	has received information that "things would again flare up
	In his area," that the situation is far more dangerous than
	the United States believed.

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Kardelj added that despite the adoption of a more doctrinaire party policy, there is not the slightest intention on the part of the Yugoslavs to alter their present friendly policy toward the West. He remarked that if proper circumstances presented themselves, Yugoslavia would seriously consider joining the Western defense system.

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Comment: Marshal Tito in a recent public statement remarked that the danger of Soviet aggression has decreased during the past year. However, on the basis of recent Cominform attention to the theme of popular resistance against Tito, Yugoslav leaders may be anticipating an intensification of border pressures and subversive activity within Yugoslavia.

Reports from the American Embassy in Belgrade state that Yugoslav leaders fear a stiffening of United States policy toward Yugoslavia. Hence, the prospect of a reduction in Western aid may be responsible for Kardelj's expressed concern at this time over Soviet intentions towards Yugoslavia.

Thirty percent of Yugoslav combat officers reported pro
Cominform:

Political Commissar of the Yugoslav Army, General Kreacic,
has advised his superiors that thirty percent of the officers
in combat units are pro-Cominform. The General reportedly
recommended that increased attention be given to political
and ideological orientation lectures for officers. (S

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Comment: Ten or twelve army colonels were arrested in Macedonia last November for allegedly holding anti-Western views. Moreover, February that all Yugoslav army officers known to have Cominform sympathies to any degree were being arrested and tried in complete secrecy.

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Although the incidence of pro-Soviet sentiment or opportunism in the army may be higher than generally estimated, informed Western observers believe that the Yugoslav army on the whole is loyal to the Tito regime.

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#### FAR EAST

6.	Further reports of French negotiations with Communists on Indochina:  That Jean Sainteny, rumored French representative for negotiations with Ho Chi Minh, is "definitely in Tonkin" under an assumed name. In addition, a current rumor has it that a sixman French mission has gone to Peiping.	25X1 25X1A
	Comment: Rumors have been current for several months that Sainteny, who acted as French negotiator during the 1946 French-Viet Minh talks, has returned to Indochina with a view to contacting Ho in an official capacity. It has been suggested Sainteny may be identical with a certain "Lieutenant Colonel Faucastre," whose reported mission is to force the Viet Minh to negotiate by inducing defections.  Saigon takes a cautious view of negotiation rumors, but believes they should not be entirely discounted.  There is no other evidence of a French mission to Peiping	25X1

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Burmese Government blames Communists for atrocities: Burmese Government has released a detailed account, including photographs, of the 1949 execution by Burmese Communists of 23 respected government authorities in the Sagaing area of upper Burma. The American Embassy in Rangoon comments that this release indicates that the government is stepping up its propaganda effort against the Communists simultaneously with increasing its military operations. (C Rangoon 933, 26 Mar 52)

The anti-Communist operations in the Mandalay area appear to be the most intensive undertaken by the Burmese army since the capture of Prome, the Communist "capital" on the Irrawaddy River, in 1950.

#### SOUTH ASIA

8. Afghan-Pakistani tension may increase: The Pakistani Foreign Secretary has reported that 3,000 Afghans unsuccessfully attacked a Pakistani border post near Chaman, opposite southern Afghanistan, on 24 March.

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The American Embassy in Karachi notes that a year ago similar skirmishes led to fairly large-scale Afghan and Pakistani troop movements and created a tense situation which lasted for several months. The Embassy adds that the Pakistani Government is now in a highly emotional state over the apparent "failure" of the Graham mission on Kashmir, and that it may take "extreme action" against Afghanistan. This could include fomenting a tribal insurrection against the Afghan Government. (S Karachi 1071, 25 Mar 52)

Comment: No other reports on the above incident have been received.

Simultaneous Afghan and Indian pressures have previously been exerted on Pakistan during periods of crisis in United Nations consideration of the Kashmir question. To date, none of these has had serious results.

It is unlikely that the Pakistani Government would become seriously embroiled with the Afghans at a time when it is deeply concerned over Kashmir and when it is making efforts to assume a position of leadership in the Islamic world.

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#### WESTERN EUROPE

9. Western European countries state dollar payments to Orbit weaken East-West trade controls: Several western European representatives on the Coordinating Committee on East-West Trade in Paris have told the American representative that the failure to control the flow of dollars to the Soviet Orbit is one of the most significant loopholes in the system of strategic exports control. The Italian delegate recently inquired, for instance, how the United States had liquidated its 87-million-dollar trade deficit last year with the Soviet bloc. (S Paris 5891, 26 Mar 52)

Comment: As American pressure has increased on western European countries to reduce the flow of strategic items to the Orbit, western European representatives in general have become increasingly critical of the way the United States is enforcing its own controls (see OCI Daily Digest, 11 Mar 52). The Orbit can in any case always procure dollars in Switzerland.

According to a reliable report, the East German Socialist Unity Party Central Committee has ordered that its propaganda line be changed to eliminate everything directed against conscription laws. On 15 March all anti-conscription posters were ordered removed. The disappearance of these posters from the Soviet Sector of Berlin has been confirmed.

American officials in Berlin comment that one obvious purpose of this action is to make East German propaganda consistent with the Soviet peace treaty proposals. They suggest that the action could also be in preparation for the introduction of conscription laws in East Germany, after the Allied-West German contractual agreements have been ratified. This would be in preparation for the expansion of the East German paramilitary forces. (S Berlin unnumbered, 20 Mar 52)

Comment: Reports of plans for the expansion of the East German paramilitary police to form 24 understrength Soviet-type divisions suggest that 44,000 to 68,000 additional men would have to be recruited. The difficulty of obtaining volunteers for paramilitary service increases the possibility of conscription. The present manpower shortage may delay such an expansion until after the creation of an effective West German defense force.

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11. West Germany reveals plans for troop build-up: West German delegates at the European Defense Community discussions in Paris state that their government expects to have 180,000 men under arms within one year after the EDC Treaty comes into force. Three months later, the government will have enough recruits to fill out its 400,000-man defense contingent. The delegates declare that the costs of this force in the first year will amount to 2.8 billion dollars.

The West German Government will seek parliamentary approval of its defense proposals when it submits the Defense Community treaty for ratification. (S Paris 5893, 26 Mar 52)

Comment: Allied observers have felt that the German delegation would be inclined to overestimate both the speed with which German units could be formed and the costs of these units.

Germany has agreed to provide Allied logistical support to the amount of 1.6 billion dollars. This sum, added to the estimated cost of the German force, exceeds the country's 2.7-billion-dollar defense contribution by 1.7 billion.

American Embassy in Paris suggests counterpropaganda for Communist BW charges: The American Embassy in Paris points out that the occasion for excellent counterpropaganda on the Communist bacteriological warfare charge is presented by the open letter just addressed to Albert Einstein by the fellow-traveling French scientist Jacques Hadamard. The Embassy believes that in view of Einstein's leftist tendencies and pacifist sentiments an appropriate reply from him could have considerable effect in Europe.

The Embassy would have Einstein express concern that a man of Hadamard's scientific competence would contribute to war hysteria without awaiting the conclusive results of an objective and impartial Red Cross investigation. (C Paris 5876, 26 Mar 52)

Comment: The non-Communist press in France and other western European countries has generally discounted the BW charges despite the vigorous campaign waged by Communist organs. Scepticism toward Soviet propaganda might be somewhat weakened by such devices as the Hadamard letter.

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3. <sup>/</sup>	Catholic parties in Italy charge Vatican with "inertia" against Communism: The Vatican's "hesitations" in matters of	25X
	foreign policy are subjecting Catholic political parties in	
	Italy to neutralist influences and defeatism,	
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	Both lay and ecclesiastical officials are said to be	
	alarmed over the Pope's "passive attitude" and "decreasing initiative" against Communism in view of the coming elections	
	in southern Italy. The Catholic political parties' lack of dynamism is causing a noticeable electoral shift toward	05)
	rightist and undemocratic parties. The Catholic Action Group,	25)
	led by Luigi Gedda, is considering the establishment of a new	
	right-wing party.	
	Comment: In the past the Vatican has taken an ambiguous stand on the European defense forces as presently constituted, although it has clearly favored resistance to Communism.	
٠	Criticism of the Vatican comes not only from fascist elements favoring a firmer Vatican policy toward Communist and other dissident groups, but also from anticlerical groups	
	opposed to the Italian Government's alleged subordination to the Vatican.	
	the vatican.	
•	Spanish opposition leaders discuss policy regarding US	
•	aid to Franco: Spanish Socialists still strongly resent current	
	American policy toward Spain, charging that it will benefit	
	only the Communists. The Basque Nationalists, while firmly anti-Franco, are hopeful that American influence will liberalize	
	the regime sufficiently to pave the way for the Caudillo's	
	elimination.	2
	at a meeting in mid-	
	February to discuss how American aid to Franco will affect the	
	positions and activities of	2
	The report of the meeting reveals that the	2
	are pessimistic over the prospects of Franco's being	
	overthrown by the non-Communist opposition. They are considering	g,
	without much optimism, the possibility of organizing a nation- wide general strike which would be anti-regime but still not	
	be anti-American.	25)
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	Comment: It is highly unlikely that a general strike	
	could be organized at this time because of the organizational	
	weakness of the opposition, the eased economic situation of	

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Italy delays shipment of strategic grinder to Rumania:

Italy has temporarily delayed the shipment of a strategic grinder to Rumania as a result of American assurances that COCOM will make a prompt decision as to whether this item should be shipped as an exception to the COCOM embargo. The Italian Foreign Office feels that "there is no chance of avoiding question of exception" since the manufacturer must fulfill his contract. It also feels that this shipment might affect current negotiations for the release of an Italian national imprisoned in Rumania.

The American representative to COCOM points out that although the grinder was licensed by administrative error, this item was listed for embargo in International List I and the case should therefore be referred to COCOM for decision. (S Rome 4053 and 5745, 18 and 20 Mar 52; S to Rome 4229, 17 Mar 52)

Comment: Italy's insistence on exporting this item to Rumania indicates how anxious it is for the release of its national, which the Italian Foreign Office believes is now imminent.

Sweden wants European Payments Union continued: The American Embassy at Stockholm believes that Sweden favors the continuation of the European Payments Union for one or two years. The Swedes fear that the liquidation of the EPU will so weaken OEEC, the parent organization, that the latter will fall under the jurisdiction of NATO. (C Stockholm TOMUS 9, 24 Mar 52)

Comment: For psychological as well as economic reasons, the Swedes desire to maintain as much "non-political" European cooperation as possible; they fear that the gradual expansion and implementation of NATO's economic facets will force their country to withdraw into complete isolation or else alter its present "alliance-free" foreign policy.

#### LATIN AMERICA

17. New city council in Belize, British Honduras, contains three anti-colonial members: The nine-man Belize city council, elected on 19 March, contains three members of the People's United Party. (R FBIS, 21 Mar 52)

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Comment: The People's United Party has been the focal point of a growing opposition to the colonial administration in British Honduras. Leaders of this party, representing emergent labor and political organizations, demand more popular participation in the government and closer economic ties with the United States. They have frequently tried to publicize their grievances by annoying or defying colonial officials. The party had a majority in the previous Belize city council, the only fully-elected political body in the colony, which was summarily dissolved by the British Governor last summer on the ground that it was disloyal to the Crown (see OCI Daily Digest, 13 Aug 51).

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#### WESTERN EUROPE

Iceland will permit American troop unit in Reykjavik:
The Icelandic Foreign Minister has informed the United States
Minister that American troops can now be stationed on the outskirts of Reykjavik, but that arrangements for their accommodation must first be worked out in detail with the Icelandic
Government. The task of the unit would be to protect Reykjavik port and airfield and to counteract any internal sabotage.

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The Foreign Minister said emphatically that it would be politically unwise for the Icelandic Government to construct housing for any American military dependents in Iceland. (TS Reykjavik, Desp. 324, 13 Mar 52)

Comment: Permission to station troops which arrived in Iceland in May 1951 in or very close to Reykjavik represents a considerable concession by the Icelandic Government, which is very aware of the popular dislike of foreign troops.